Projects under Indo-Korean partnership

2711. SHRI SURENDRA LATH : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the various projects launched in the country with the Indo-Korean partnership;

(b) the places where these projects have been set up; and

(c) the amount of investment made in these projects?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO) : (a) to (c) Government has put in place a liberal Foreign Direct Investment (FDI) policy with most sectors open for FDI upto 100% under the automatic route. The location of investment is determined by the commercial judgement of the investors based on the policy, economic and business environment. The amount of FDI from Korea approved during January,' 91 to May, 2003 is US $ 2.65 billion and the inflows received, including under the automatic route, during this period is US $ 0.63 billion M/s. Daewoo Corporation, Hyundai Motor Company, Samsung Electronics Company Ltd., LG Chemicals Ltd., LG Electronics Inc., KurfihoTyre Co. Ltd., Korea Mobile Telecom are some of the major companies which have obtained approvals for investment in India in the States of Madhya Pradesh, Tamil Nadu, Uttar fradesh and Maharashtra. Transportation Industry, Fuels (power & oil refinery), Electrical Equipment (computer software & Electronics), Chemicals (other than fertilizers) and Commercial Office & Household equipments, Telecommunication and Rubber Goods are among the sectors for which FDI approvals have been accorded.

Setting up of distillery producing IMFL

2712. SHRI LAJPAT RAI : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether Government have made it compulsory for MNCs to seek Government's approval for setting up/taking up any distillery producing IMFL;

(b) if so, the outlines thereof;

(c) the names of the distilleries taken over by MNCs in Maharashtra and Karnataka and whether in each case Government's approval was obtained; and

(d) if not, the action Government propose to take in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO) : (a) and (b) Distillation and brewing of alcoholic drinks is licensable under the Industries (Development & Regulation) Act, 1951. Government has decided not to permit setting up of additional capacity in the potable alcohol sector. As per the legal position settled on the basis of the judgement of the Hon'ble Supreme Court in the case of Bihar distillery, now the States in India have total and exclusive control over the potable alcohol sector, including licensing of distilleries. As per the extant policy, Foreign Direct Investment (FDI) upto 100% is permitted in the potable alcohol sector with prior Government approval against capacity under existing Industrial Licence and where no endorsement of licence or any other form of servicing the Industrial Licence is involved. The FDI policy in respect of all sectors, including potable alcohol sector, lies within the exclusive domain of the Central Government. Prior approval of the Government is required for purchase of shares of existing companies.

(c) and (d) FDI in potable alcohol sector has been approved in 25 cases in the States of Karnataka and Maharashtra. No centralized data on take over of existing distilleries by MNCs is maintained. In the case of 100% takeover of M/s Oceanic Distilleries Private Limited, Maharashtra by M/s Seagram Manufacturing Private Limited without Government approval, RBI has been directed to take appropriate action under the relevant legal provisions. Acquisition of 16,37,570 equity shares of Rs.10 each equivalent to Rs. 120.00 crore in M/s Mysore Breweries Limited by M/s South African Breweries India Limited has been approved by the Government.

Registration of food items imported in USA

2713. SHRIMATI N.P. DURGA : Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that USA has made it mandatory to register with FDA all the manufactured, processed, packed food items imported into the country;

(b) if so, the details thereof;

(c) whether it is also a fact that foreigner exporter must also furnish, under the new rules, the details of US Agent and other details;